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STATE OF ALASKA
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JUNEAU
May 1, 2002

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Ambassador Robert B. Zoellick United States Trade Representative 600 17th Street, NW Washington, DC 20508

Dear Ambassador Zoellick:

On behalf of the State of Alaska, thank you very much for the opportunity to provide comments on suggested negotiating objectives and priorities regarding the Doha Multilateral Trade Negotiations and Agenda in the World Trade Organization (WTO). The state's comments (included as Appendices A-C) recommend key positions of critical importance to Alaska's export industries.

Alaska's geographic location and abundant natural resources create a greater reliance on international trade than occurs in most states. In 2001, Alaska exported \$2.5 billion to the rest of the world. Exports support nearly half of all Alaska manufacturing output and manufacturing-related jobs. Alaska's proximity to markets in East Asia has fostered the development of a strong export sector in the Alaska economy, especially for the state's seafood and log exports. Many of Alaska's exporters are small businesses located in remote communities throughout our vast state.

Alaska's recommended objectives as well as country specific and item specific concerns focus on five areas:

- ♦ Recommending that the U.S. form a multilateral working group to study the question of fisheries subsidies in the WTO context, especially where they support cheaper imports and cause production overcapacity and environmental degradation;
- ♦ Improving market access by reducing tariffs for U.S. fish products in the Republic of Korea, Japan, People's Republic of China, and other key Alaska markets;
- Preserving the opportunity to use eco-labeling, such as the Marine Stewardship Council's certification of the Alaska salmon industry as well as organic and country-of-origin labeling, while prohibiting inaccurate and misleading labeling;
- ♦ Removing China's fumigation requirements that have stopped Alaska log exports from entering China when Alaska is free of the pest of concern, which is a violation of the International Agreement on the Application of Sanitary and Phytosanitary Measures; and
- Offering examples of Alaska's technical assistance and capacity building programs with Russia that could be used by the U.S. as examples and models for support efforts to pertinent trading partners.

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We are optimistic that by the U.S. incorporating Alaska's priorities and objectives in the Doha WTO negotiations, the volume and flow of Alaska exports will increase while promoting economic development and alleviating poverty worldwide. Because Alaska is a new state with far flung and economically challenged communities, we understand the importance of trade and the critical opportunity presented by the Doha discussions to address problems of market access, trading rules, and trade and the environment. We also empathize with the special needs of the majority of WTO Members who are developing countries. We look forward to working with you to share our international technical assistance and capacity building experience to ensure that these countries share in the growth and opportunities created by enhanced world trade.

The Doha multilateral trade discussions and their result are very important for Alaskans. The negotiating objectives and priority decisions you make will have a direct effect on many of Alaska's most important industries and the constituencies which are key to the future of my state. These include Alaska commercial fishing groups, processors' associations, manufacturers of value-added seafood products, log exporters, forest product concerns, and regional and village Alaska Native corporations.

It would be useful for my Washington, D.C. staff (202-624-5858) to discuss Alaska's concerns directly with your colleagues who are focusing on the Doha discussions. Please let us know the best way to facilitate that meeting. Again, thank you for your consideration of our comments, and we stand ready to assist in any way.

Sincerely,

Tony Knowles

Governor

Enclosures

cc: The Honorable Ted Stevens, United States Senator

The Honorable Donald L. Evans, Secretary of Commerce

The Honorable Colin L. Powell, Secretary of State

The Honorable Ann M. Veneman, Secretary of Agriculture

The Honorable Christine Todd Whitman, Administrator, Environmental Protection

Agency